

Michael Chertoff (MC 6790)  
Geoffrey S. Berman (GB 0851)  
Robert A. Magnanini (RM 7356)  
LATHAM & WATKINS  
One Newark Center, 16th Floor  
Newark, New Jersey 07101-3174  
(201) 639-1234  
Attorneys for Plaintiff Walsh Securities, Inc.

60  
FILED

FEB 23 1998

AT 8:30 A.M.  
WILLIAM T. WALSH  
CLERK

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

WALSH SECURITIES, INC.,

Plaintiff,

v.

CRISTO PROPERTY MANAGEMENT,  
LTD., A/K/A G.J.L. LIMITED, DEK  
HOMES OF NEW JERSEY, INC.,  
OAKWOOD PROPERTIES INC.,  
NATIONAL HOME FUNDING, INC.,  
CAPITAL ASSETS PROPERTY  
MANAGEMENT & INVESTMENT CO.,  
INC., CAPITAL ASSETS PROPERTY  
MANAGEMENT, L.L.C., WILLIAM J.  
KANE, GARY GRIESER, ROBERT  
SKOWRENSKI, II, JAMES BROWN,  
JAMES DIBENEDETTO, JAMES R.  
BROWN, THOMAS BRODO, ROLAND J.  
PIERSON, STANLEY YACKER, ESQ.,  
MICHAEL ALFIERI, ESQ., JAMES  
PEPSNY, ESQ., ANTHONY M.  
CICALESE, ESQ., LAWRENCE M.  
CUZZI, ANTHONY D'APOLITO, DAP  
CONSULTING, INC., COMMONWEALTH  
LAND TITLE INSURANCE COMPANY,  
NATIONS TITLE INSURANCE OF NEW  
YORK INC., FIDELITY NATIONAL  
TITLE INSURANCE COMPANY OF NEW  
YORK, and COASTAL TITLE AGENCY,

Defendants.

Civil Action No. CV 97-3496 (WGB)

Hon. William G. Bassler

ANSWER AND AFFIRMATIVE  
DEFENSES TO THE COUNTERCLAIM  
OF DEFENDANT JAMES BROWN

ANSWER TO DEFENDANT'S COUNTERCLAIM

Plaintiff, Walsh Securities, Inc. ("Walsh"), having its principal place of business at 4 Campus Drive, Parsippany, New Jersey, by way of answer to the Counterclaim of Defendant James Brown ("Brown"), says:

1. This paragraph states legal conclusions to which no response is required.
2. Admitted.
3. Admitted.
4. Admitted.
5. Denied as to Walsh but admitted as to the defendants.
6. Admitted.
7. Denied as to Walsh, and denied as to Brown. The remaining allegations are admitted.

**COUNT ONE**

8. Denied as to Walsh, and denied as to Brown. The remaining allegations are admitted.
9. Denied.

WHEREFORE, Walsh Securities, Inc. demands judgment dismissing Count One of the Counterclaim of Defendant James Brown.

**COUNT TWO**

10. Walsh repeats each and every answer to the allegations contained in Paragraphs 1 through 9 above as if set forth fully herein.
11. Denied as to Walsh. The remaining allegations are admitted.
12. Denied.

WHEREFORE, Walsh Securities, Inc. demands judgment dismissing Count Two of the Counterclaim of Defendant James Brown.

**COUNT THREE**

13. Walsh repeats each and every answer to the allegations contained in Paragraphs 1 through 12 above as if set forth fully herein.

14. Denied as to Walsh. After reasonable investigation, Walsh does not have knowledge regarding the remaining allegations and leaves Defendant Brown to his proofs.

15. After reasonable investigation, Walsh does not have knowledge as to defendant Brown's beliefs and leaves defendant Brown to his proofs.

16. Denied as to Walsh.

WHEREFORE, Walsh Securities, Inc. demands judgment dismissing Count Three of the Counterclaim of Defendant James Brown.

**AFFIRMATIVE DEFENSES**

**FIRST AFFIRMATIVE DEFENSE**

Each and every Count of Defendant's Counterclaim fails to state a claim upon which relief can be granted.

**SECOND AFFIRMATIVE DEFENSE**

Insofar as Defendant purports to state claims for misrepresentation and fraud, the allegations in Defendant's Counterclaims lack the particularity required by Fed. R. Civ. P. 9(b).

**THIRD AFFIRMATIVE DEFENSE**

Defendants' Counterclaims are barred, in whole or in part, by the applicable statutes of limitations.

**FOURTH AFFIRMATIVE DEFENSE**

Defendants' Counterclaims are barred, in whole or in part, by the equitable doctrine of laches.

**FIFTH AFFIRMATIVE DEFENSE**

Defendants' Counterclaims are barred, in whole or in part, by the equitable doctrine of waiver.

**SIXTH AFFIRMATIVE DEFENSE**

Defendants' Counterclaims are barred, in whole or in part, by the equitable doctrine of estoppel.

**SEVENTH AFFIRMATIVE DEFENSE**

Defendants' Counterclaims are barred, in whole or in part, by the equitable doctrine of unclean hands.

**EIGHTH AFFIRMATIVE DEFENSE**

Defendant has no authority or standing to bring this suit.

**NINTH AFFIRMATIVE DEFENSE**

To the extent that Defendant has sustained any injuries, such injuries, if any, were caused, in whole or in part, by the acts or omissions of others for whose conduct Walsh is not responsible.

**TENTH AFFIRMATIVE DEFENSE**

Walsh had no knowledge of, and was not a culpable participant in, any violations of any laws.

**ELEVENTH AFFIRMATIVE DEFENSE**

Walsh acted in good faith and did not directly or indirectly induce the act or acts complained of by the Defendant.

**TWELFTH AFFIRMATIVE DEFENSE**

Walsh violated no legal duty owed to Defendant.

**THIRTEENTH AFFIRMATIVE DEFENSE**

Walsh's conduct is not the cause of any injury or damages allegedly suffered by Defendant.

**FOURTEENTH AFFIRMATIVE DEFENSE**

Defendant was contributorily negligent, and such negligence was the proximate, efficient, and contributing cause of his damages.

**FIFTEENTH AFFIRMATIVE DEFENSE**

Walsh hereby gives notice that it intends to rely upon any other defense that may become available or appear during the discovery proceedings in this case and hereby reserves its right to amend its answer to assert other related defenses as may become available.

**WHEREFORE**, Plaintiff Walsh Securities, Inc. seeks judgment dismissing the counterclaim of defendant James Brown, against Walsh and for interest, costs, attorney fees and other relief this Court deems to be just and equitable.

LATHAM & WATKINS  
Michael Chertoff (MC 6790)  
Geoffrey S. Berman (GB 1851)  
Robert A. Magnanini (RM 7356)  
One Newark Center  
Newark, NJ 07101-3174  
Telephone (201) 639-1234  
Telecopy (201) 639-7298  
ATTORNEYS FOR PLAINTIFF WALSH  
SECURITIES, INC.

By:

  
Michael Chertoff

Dated: February 23, 1998

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

WALSH SECURITIES, INC.,

Plaintiff,

v.

CRISTO PROPERTY MANAGEMENT, LTD.,  
A/K/A G.J.L. LIMITED, DEK HOMES OF  
NEW JERSEY, INC., OAKWOOD  
PROPERTIES INC., NATIONAL HOME  
FUNDING, INC., CAPITAL ASSETS  
PROPERTY MANAGEMENT &  
INVESTMENT CO., INC., CAPITAL ASSETS  
PROPERTY MANAGEMENT, L.L.C.,  
WILLIAM J. KANE, GARY GRIESER,  
ROBERT SKOWRENSKI, II, RICHARD  
CALANNI, RICHARD DIBENEDETTO,  
JAMES R. BROWN, THOMAS BRODO,  
RONALD J. PIERSON, STANLEY YACKER,  
ESQ., MICHAEL ALFIERI, ESQ., RICHARD  
PEPSNY, ESQ., ANTHONY M. CICALESE,  
ESQ., LAWRENCE M. CUZZI, ANTHONY  
D'APOLITO, DAP CONSULTING, INC.,  
COMMONWEALTH LAND TITLE  
INSURANCE COMPANY, NATIONS TITLE  
INSURANCE OF NEW YORK INC.,  
FIDELITY NATIONAL TITLE INSURANCE  
COMPANY OF NEW YORK, and COASTAL  
TITLE AGENCY,

Defendants.

Civil Action No. CV 97-3496 (WGB)

Hon. William G. Bassler

**SUMMONS IN A CIVIL ACTION  
ON ~~SECOND~~ AMENDED COMPLAINT**

To: Lawrence J. Cuzzi

YOU ARE HEREBY SUMMONED and required to file with the Clerk of this Court and serve upon Plaintiff's Attorney:

Michael Chertoff  
LATHAM & WATKINS  
One Newark Center, 16th Floor  
Newark, New Jersey 07101

an answer to the second amended complaint which is herewith served upon you, within 20 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the amended complaint.

WILLIAM T. WALSH

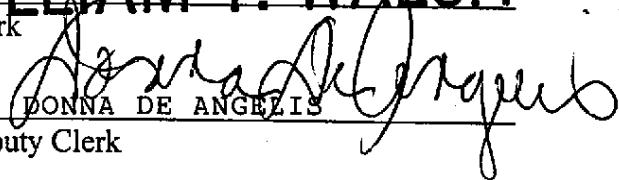
Clerk

2/26/98

Date

DONNA DE ANGELIS

Deputy Clerk



**RETURN OF SERVICE**

Service of the Summons and Second Amended Complaint was made by me	Date
NAME OF SERVER (Print)	Title
Check one line below to indicate appropriate method of service	
<input type="checkbox"/> Served personally upon the defendant. Place where served: _____	
<input type="checkbox"/> Left copies thereof at the defendant's dwelling house or usual place of abode with a person of suitable age and discretion then residing therein.	
<input type="checkbox"/> Returned unexecuted: _____ _____ _____	
Other (specify): _____ _____ _____	

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Fees is true and correct.

Executed on \_\_\_\_\_

Date

---

**Signature of Server**

---

**Address of Server**